

FISCAL NOTE

HB 691 - SB 1590

February 17, 2007

SUMMARY OF BILL: Enacts the *Tennessee Mobile Telephone Lemon Law of 2007* which requires cellular telephone providers in Tennessee to repair or replace without any charge to the consumer or to cancel the contract and refund for the purchase price for any cellular telephone which is determined to be unreliable or unusable. Violations are punishable by civil penalties, private rights of action, and as a Class B misdemeanor.

ESTIMATED FISCAL IMPACT:

Increase State Revenues – Not Significant

**Increase State Expenditures – \$57,500 Recurring
\$3,300 One-Time**

Increase Local Govt. Revenues – Not Significant

Increase Local Govt. Expenditures – Not Significant

Assumptions:

- An increase in state revenues from the collection of civil penalties.
- An increase in state expenditures for one position and related operational expenses to investigate and resolve complaints.
- There will not be a sufficient number of prosecutions for local governments to experience any significant increase in revenues or expenditures.
- Some increase in cases in the court system, which will result in additional state and local government expenditures for processing the cases and additional state and local government revenues from fees, taxes and costs collected. However, such increases will not be significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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